

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 169109

12

ORIGIN EUR-02

INFO OCT-01 EA-02 ISO-00 /005 R

66610

DRAFTED BY: EUR/RPE:JTMCCARTHY

APPROVED BY: EUR/RPE:ACALBRECHT

----- 088633

R 022203Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY MANILA

LIMITED OFFICIAL USE STATE 169109

FOLLOWING REPEAT EC BRUSSELS 5757 ACTION SECSTATE INFO BONN
BRUSSELS COPENHAGEN DUBLIN LONDON LUXEMBROUG PARIS ROME THE
HAGUE GENEVA OECD PARIS KINGSTON 30 JUL

QUOTE

LIMITED OFFICIAL USE EC BRUSSELS 5757

E.O. 11652: N/A

TAGS: ETRD, EEC, XA, XL, XP

SUBJECT: EC-ACP NEGOTIATIONS--KINGSTON MINISTERIAL WRAP-UP

REF: A) EC BRUSSELS 5438

B) EC BRUSSELS 5600

C) EC BRUSSELS 5569

1. SUMMARY: MISSION CONTACTS IN BRUSSELS HAVE
CHARACTERIZED THE KINGSTON MINISTERIAL AS AN "OVERALL
SUCCESS" AND AS HAVING PROVIDED THE BASIS FOR THE NEXT
AND FINAL STAGE IN THE EC/ACP NEGOTIATIONS, WHICH THE EC
HOPES TO CONCLUDE IN NOVEMBER. THE CONFERENCE PRODUCED
GENERAL AGREEMENT ON MAJOR ELEMENTS OF A TRADE REGIME,
A SYSTEM OF EXPORT STABILIZATION OF ACP EXPORT
EARNINGS, AND A SYSTEM OF INDUSTRIAL COOPERATION. ON
SEVERAL OF THESE POINTS THE CONFERENCE ADOPTED RESOLUT-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 169109

TIONS. A CONSIDERABLE GAP REMAINS BETWEEN THE TWO SIDES

WITH RESPECT TO THE AMOUNT OF FINANCIAL ASSISTANCE TO BE EXTENDED BY THE EC TO THE ACP COUNTRIES. END SUMMARY.

2. A MISSION SOURCE IN THE EC COMMISSION, AND A UK PERM DEL CONTACT WHO PARTICIPATED IN THE CONFERENCE, HAVE PROVIDED US WITH INFORMATION CONCERNING THE EC-ACP MINISTERIAL HELD IN KINGSTON JULY 25-26. OUR CONTACTS AND PRESS REPORTS HERE HAVE CHARACTERIZED THE CONFERENCE AS A "GENERAL SUCCESS" IN TERMS OF MAINTAINING THE RHYTHM OF THE NEGOTIATIONS. THE EC AND THE ACPs RESTATED THEIR INTENTION TO COME TO AGREEMENT THIS FALL ON THE REMAINING ISSUES AND IT IS APPARENT THAT BOTH SIDES BELIEVE THE POLITICAL WILL IS PRESENT TO SEE THE NEGOTIATIONS THROUGH TO A SUCCESSFUL CONCLUSION.

3. SPECIFIC ITEMS ON THE AGENDA WERE TREATED AS FOLLOWS:

A. TRADE REGIME: THE CONFERENCE DID NOT PRODUCE A SPECIFIC RESOLUTION CONCERNING THE RECIPROCITY ITEM. INSTEAD THE FINAL COMMUNIQUE CONTAINED THE FOLLOWING LANGUAGE: QUOTE AS REGARDS TRADE ARRANGEMENTS, THE PARTICIPANTS RECOGNIZED THAT THE KEYNOTE SHOULD BE STABILITY AND RECOGNITION OF THE FACT THAT THE DEVELOPING COUNTRIES ARE IN AN UNEQUAL POSITION VIS-A-VIS THEIR PARTNERS. THE MAIN FEATURE OF THESE ARRANGEMENTS WILL BE FREE ACCESS FOR THE ACP STATES TO THE COMMUNITY MARKET, NO CORRESPONDING COMMITMENTS BEING REQUIRED OF THE ACP STATES. END QUOTE. RESOLUTIONS WERE ADOPTED HOWEVER, COVERING THE THREE POINTS--RULES OF ORIGIN, NON-TARIFF BARRIERS, AND AGRICULTURAL AND PROCESSED PRODUCTS.

1. FOR RULES OF ORIGIN THE RESOLUTION STATES THAT QUOTE THE COMMUNITY RECOGNIZES THAT RULES OF ORIGIN CAN CREATE DIFFICULTIES FOR THE FREE ACCESS OF THE PRODUCTS OF ACP COUNTRIES TO THE MARKET END QUOTE. THE RESOLUTION GOES ON TO NOTE THAT THE ACP COUNTRIES HAVE ASKED FOR LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 169109

LIBERAL RULES OF ORIGIN, E.G. A PRODUCT MIGHT BE HELD TO ORIGINATE IN AN ACP EXPORTING COUNTRY IF VALUE ADDED THERE WERE 25 PERCENT OF TOTAL VALUE.

2. FOR NON-TARIFF BARRIERS THE RESOLUTION STATES THAT QUOTE THE ACP COUNTRIES REAFFIRM THAT NTBS CONSTITUTE A HINDRANCE TO THE ACCESS OF THEIR PRODUCTS TO THE COMMUNITY MARKET. UNQUOTE. THE EC, FOR ITS PART, NOTES THAT MANY

HEALTH AND ADMINISTRATIVE PROVISIONS REPRESENT A RESTRICTION OF FREE ACCESS, BUT THAT SUCH REGULATIONS QUOTE BY VIRTUE OF THEIR BASIS, APPLY ERGA OMNES, AND THAT IT WOULD THEREFORE BE VERY DIFFICULT TO DEROGATE FROM THEM. UNQUOTE. THE RESOLUTION PROVIDES FOR A CONSULTATION PROCEDURE WITHIN THE ASSOCIATION TO DEAL WITH SUCH DIFFICULTIES.

3. AGRICULTURAL AND PROCESSED PRODUCTS. THE TEXT OF THE RESOLUTION COVERING ARRANGEMENTS FOR IMPORTS OF AGRICULTURAL AND PROCESSED PRODUCTS INTO THE COMMUNITY IS AS FOLLOWS: QUOTE. WHILE THEY RECOGNIZE THAT THE COMMUNITY OFFER IS AN IMPROVEMENT ON THE EXISTING SITUATION, THE ACP COUNTRIES CONSIDER THAT FURTHER IMPROVEMENTS ARE NECESSARY, IN PARTICULAR:

-- IN THE CASE OF PRODUCTS EXPORTED BY COUNTRIES WHICH PREVIOUSLY ENJOYED SPECIAL CONDITIONS OF ACCESS TO THE UNITED KINGDOM MARKET, WHICH REPRESENT A LARGE PART OF THE EXPORTS OF THE COUNTRIES IN QUESTION;

-- IN THE CASE OF PRODUCTS FOR WHICH THERE WOULD BE REAL POSSIBILITIES FOR EXPORT TO THE COMMUNITY DURING THE PERIOD IN WHICH THE FUTURE CONVENTION WILL APPLY.

THE COMMUNITY HAS NOTED THIS REQUEST FOR IMPROVEMENT AND IS PREPARED TO EXAMINE IT WITH THE ACP COUNTRIES DURING THE NEGOTIATIONS. UNQUOTE.

B. SYSTEM OF EXPORT STABILIZATION. AGREEMENT WAS REACHED TO REMOVE THE PROBLEM OF SUGAR FROM THE GENERAL DISCUSSION OF A SCHEME FOR EXPORT EARNINGS STABILIZATION (SEE REFTEL B). THE EC ACCEPTED THE UNILATERAL UK COMMITMENT OF 1.4 MILLION TONS AS ONE OF THE FACTORS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 169109

WHICH MUST BE TAKEN INTO ACCOUNT IN CONCLUDING THE AGREEMENT. THE COMMUNIQUE CONTAINS GENERAL LANGUAGE ON THE SUBJECT: QUOTE. THE PRACTICAL ARRANGEMENTS FOR APPLYING THIS SYSTEM WILL NOW BE NEGOTIATED BETWEEN THE ACP STATES AND THE COMMUNITY, WHILE THE COMMISSION WILL IMMEDIATELY BEGIN TALKS WITH THE RELEVANT PRODUCER COUNTRIES ON THE VARIOUS PRODUCTS, IN PARTICULAR SUGAR WHICH, IT WAS ACKNOWLEDGED, HAS ALWAYS BEEN A PROBLEM OF PARTICULAR IMPORTANCE. END QUOTE. THE RESOLUTION ON THE STABILIZATION SCHEME PROVIDES FOR A PRODUCT LIST TO BE DRAWN UP BY AGREEMENT AMONG THE NEGOTIATORS, WHICH WILL CONTAIN VARIOUS ELIGIBILITY CRITERIA, AND A PROVISION FOR ANNUAL REVIEW. DETAILS AND CONDITIONS FOR IMPLEMENTATION OF THE SCHEME ARE TO BE DISCUSSED WITHIN THE FRAMEWORK OF THE PRESENT NEGOTIATIONS.

C. INDUSTRIAL COOPERATION. THE CONFERENCE ALSO PRODUCED A RESOLUTION PROVIDING GUIDELINES RELATING TO INDUSTRIAL COOPERATION BETWEEN ACP STATES AND THE EC. IT CALLS FOR A SPECIAL CHAPTER OF THE AGREEMENT TO BE DEVOTED TO THIS SUBJECT. THE EC ALSO CONFIRMS ITS AGREEMENT ON THE GENERAL AIM OF THE MEMORANDUM ON INDUSTRIAL COOPERATION PRESENTED BY THE ACPS. THIS SUBJECT WILL ALSO BE FLESHED OUT WHEN NEGOTIATIONS RESUME THIS FALL.

D. FINANCIAL SISTANCE (SEE REFTEL C). THE CLEAREST LACK OF AGREEMENT CONCERNED THE AMOUNT OF THE PROPOSED FINANCIAL ASSISTANCE PACKAGE. THE ACP PROPOSAL OF 8 BILLION UA IS CONSIDERED A QUOTE RIDICULOUS UNQUOTE FIGURE IN BRUSSELS. OUR CONTACTS DOWNPLAY THE PROBLEM AS MERELY PART OF THE CONTINUING EFFORT BY THE ACPS TO HAVE THE REPORTED EC OFFER OF 3 BILLION UA RAISED TO SOMETHING ON THE ORDER OF 3.5 BILLION UA.

4. COMPLETE TEXTS OF THE FINAL COMMUNIQUE AND RESOLUTIONS BEING POUCHED TO EUR/RPE.GREENWALD UNQUOTE KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, MEETING AGENDA, AGRICULTURAL PRODUCTION, SUGAR, INDUSTRIAL DEVELOPMENT, NEGOTIATIONS, FOREIGN POLICY POSITION, MINISTERIAL MEETINGS, TRADE AGREEMENTS, TARIFFS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE169109
Document Source: CORE
Document Unique ID: 00
Drafter: EUR/RPE:JTMCCARTHY
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740212-0507
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740877/aaaacofj.tel
Line Count: 190
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A) EC BRUSSELS 5438
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2002 by shawdg>; APPROVED <25 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC-ACP NEGOTIATIONS--KINGSTON MINISTERIAL WRAP-UP
TAGS: ETRD, XA, XL, XP, EEC, ACP
To: MANILA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005